

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6678

BILL NUMBER: HB 1899

DATE PREPARED: Jan 9, 2001

BILL AMENDED:

SUBJECT: Legislative Business per Diem.

FISCAL ANALYST: Diane Powers

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FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		472,688	764,840
Net Increase (Decrease)		(472,688)	(764,840)

Summary of Legislation: This bill provides for the legislative business per diem allowance in the Indiana Code. The bill provides that the legislative business per diem allowance for legislators who live 50 or fewer miles from the Capitol equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The bill also provides that the legislative business per diem allowance for legislators who live more than 50 miles from the Capitol equals 150% of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. It provides that the legislative business per diem allowance changes each time there is a change in the maximum daily amount.

Effective Date: July 1, 2001.

Explanation of State Expenditures: Currently, P.L. 273-1999 authorizes the payment of legislative business per diem allowance for legislators engaged in official business. The legislative business per diem allowance equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum amount. Currently, the per diem is \$112.

This bill places this authorization in the Indiana Code and raises the amount of the allowance for legislators who live more than 50 miles from the Capitol building to 150% of the federal rate. Legislators who live 50 miles or less will still receive the federal per diem rate.

The impact on expenditures will depend on the number of legislators who live more than 50 miles from the Capitol and the number of legislative business days. The majority of these days are during the first and second regular sessions. However, legislators also receive per diem for attending interim committee meetings and conducting other official business. The number of legislators eligible for the additional per diem allowance could change slightly with each election. Based on the current composition of the 2001 General Assembly, there are 111 legislators who would be eligible for the increased per diem allowance. It is estimated that there will be approximately 68 days in the 2002 short session and 115 days in the 2003 long session where the increased per diem would apply. During the 2000 interim there were 880 interim committee days for all the legislators who lived more than 50 miles from the Capitol. The additional expenses for FY 2002 are estimated to be \$472,688 and \$764,840 in FY 2003. These expenses would be paid out of the House and Senate appropriations for legislator business allowance and the Legislative Council's appropriation for legislator and lay member travel.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: General Assembly.

Local Agencies Affected:

Information Sources: